Fiscal Estimate - 2005 Session

\boxtimes	Original		Updated		Corrected		Supplemental	
LRB	Number	05-2230/1		Intro	duction Nun	nber SI	B-102	
Subje	ct			•				
Chang	es to a tax ir	cremental distr	ict (TID) in Ke	enosha			.	
Fiscal	Effect							
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Fund S	Sources Affe PR FED		PRS	SEG 🔲 SE	Affected C	th. 20 Appr	opriations	
Agend	y/Prepared	Ву		Authorized S	Signature		Date	
DOR/ I	Milda Aksam	itauskas (608)	261-5173	Blair Kruger (608) 266-1310		3/18/2005	5

Fiscal Estimate Narratives DOR 3/18/2005

LRB Number 05-2230/1	Introduction Number	SB-102	Estimate Type	Original					
Subject									
Changes to a tax incremental district (TID) in Kenosha									

Assumptions Used in Arriving at Fiscal Estimate

Under current law, project costs of a tax increment district (TID) are required to be expended within the boundaries of a TID. Under the bill, project costs of a blighted TID located in the City of Kenosha could be spent on territory within a half mile radius of the boundary of the TID. Based on the Department data, the bill would apply to TID #4 in the City of Kenosha.

Under current law, the expenditure period of project costs of a TID is limited to five years before the unextended termination date of the TID. This bill would expand the expenditure periods for Kenosha TIDs #1, #4, and #5 for up to 37 years.

To the extent that project costs would be incurred for a larger territory and for a longer period of time, the bill would result in longer lives for Kenosha TIDs. As a result, overlying taxing jurisdictions, such as the school district, county and vocational college district, would be required to forego the tax base associated with the development within TIDs for longer periods.

The bill would increase the Department costs associated with monitoring the different requirements and time limits. These costs would be absorbed.

Long-Range Fiscal Implications